

Small Business: America's Job Creators

By Michael Pappas

The spirit of American entrepreneurship is alive and well. Our nation's small business owners are risk-takers whose vision, ingenuity and perseverance have made our nation strong and revitalized the national economy. The U.S. Small Business Administration recognizes that the small business community sustains and improves the quality of life for all citizens through economic growth and job creation.

As President George W. Bush has often said, "the role of government is to create an environment in which the entrepreneurial spirit flourishes." The President's recently enacted Jobs & Growth Tax Relief Act helps create such an environment. The contributions entrepreneurs make to our country are considerable and in recognition of the key role they play in our economic vitality, the President's plan delivers specific relief to small businesses and the opportunity for them to grow. This new law encourages small business owners to purchase the technology, machinery, and other equipment they need to expand, by providing an increase in the expensing for new investment from \$25,000 to \$100,000. As a result, new jobs will be created and people will work in jobs running equipment and manufacturing equipment.

With 25 million small businesses across the country accounting for two out of every three new jobs created, the benefits they generate for the economy are great. Let's consider the facts: Small businesses hire a larger proportion of workers who are younger, older, women, workers formerly on public assistance, and those who prefer to work part-time. Small businesses represent 90 percent of all employers in the United States and 53 percent of the private sector workforce. They receive 35 percent of all federal contract dollars, provide 55 percent of innovations, and account for 51 percent of private sector output.

The SBA is committed to fostering business formation and job creation in the small business sector. Administrator Hector Barreto has set ambitious goals for SBA offices nationwide to sharply increase lending, technical assistance and government contracting opportunities, particularly to America's traditionally underserved markets including women, minorities and veterans. The SBA is uniquely positioned to meet these challenges through a variety of lending, counseling, business development and procurement assistance programs.

Over the past 50 years, the SBA has helped more than 20 million entrepreneurs start, grow and expand their businesses, guaranteeing more than \$170 billion in direct and guaranteed loans. As small businesses continue to drive America's economic expansion and job creation, the SBA will continue to serve as their partner in government.

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